

SECTION II – SPECIFIC COMPLIANCE SINGLE AUDIT

Federal and State Audit Requirements

A financial and compliance audit must be performed per Federal Office of Management and Budget (USOMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, issued pursuant to the Single Audit Act of 1984, P.L. 98-502 and as amended by The Single Audit Act Amendments of 1996, P.L. 104-156. The Single Audit Act Amendments of 1996, P.L. 104-156, were signed into law in July 1996 and are effective for fiscal years beginning after June 30, 1996. Circular A-133, issued June 24, 1997, implements the 1996 Single Audit Act Amendments and rescinds USOMB Circular A-128. **The audit must conform to standards established by the U.S. Comptroller General. The current audit standards are specified in Government Auditing Standards (Comptroller General of the U.S. 1994 Revision, available from the Government Printing Office - Superintendent of Documents: Stock Number 020-000-00265-4). When auditing federal programs, auditors are strongly advised to use the OMB 133 Compliance Supplement. USOMB Circular A-133 is available on the Internet at <http://www.whitehouse.gov/OMB/grants/index.html>. At that site, choose A133 – March 2002 compliance supplement, then at the pulldown table of contents, select the appropriate department (e.g., Dept of Agriculture, Department of Education, Department of Health and Human Services). For a specific address to access Department of Education (ESEA Compliance Supplement), see the website on the following page. The applicable CFDA number for a grant can be found on the New Jersey Department of Education Contract. Alternatively, a listing of grant titles with the CFDA numbers is contained in this chapter of the Audit Program (Section II-SA) or the auditor can look up a program at the CFDA web site: <http://www.cfda.gov/public/allprogs.asp>**

Please note that if a school district is being audited for the second time under Circular A-133 the auditor must follow the risk-based approach to determine major programs in accordance with section .520 of Circular A-133. Section .520(i) of Circular A-133 allows auditors to deviate from the use of the required risk-based approach when determining major programs during the first year that an entity is audited under the revised Circular A-133 or the first year of a change of auditors. NJOMB Circular Letter 98-07 also requires the use of the same risk based approach to audit and monitor State financial assistance as used in federal programs. AICPA Statement of Position (SOP) 98-3, *Audits of States, Local Governments, and Not-for-Profit Organizations Receiving Federal Awards*, and Circular A-133 (Section .520) should be referenced for guidance on this approach.

In April 1999, the USOMB issued a revised OMB Circular A-133 Compliance Supplement which is effective for audits of fiscal years beginning after June 30, 1998 and supersedes the OMB Circular A-133 Compliance Supplement (Provisional) which was issued in June 1997. The March 2002 revised Compliance Supplement is available on the Internet, as well as from the Government Printing Office. (Superintendent of Documents: Stock Number 041-001-00507-2).

In March 1998 the AICPA issued SOP 98-3, *Audits of States, Local Governments, and Not-for-Profit Organizations Receiving Federal Awards*, to provide guidance on the auditor's responsibilities when conducting a single audit or program specific audit in accordance with the Single Audit Act Amendments of 1996 and USOMB Circular A-133. The SOP incorporates guidance from The Single Audit Act Amendments of 1996, OMB Circular A-133, AICPA Statement on Auditing Standards No. 74, *Compliance Auditing Considerations in Audits of Government Entities and Recipients of Governmental Financial Assistance*, *Government Auditing Standards*, and OMB Circular A-133 Compliance Supplement (Provisional). SOP 98-3 supersedes SOP 92-9, *Audits of Not-for-Profit Organizations Receiving Federal Awards* and part VII, "Audits of Federal Financial Assistance," of the AICPA Audit and Accounting Guide *Audits of State and Local Governmental Units*, and is applicable to audits of fiscal years beginning after June 30, 1996, in which the fieldwork begins on or after March 1, 1998. The illustrative audit reports included in Section III of The Audit Program have been updated for the single audit amendments and circular revisions, using the AICPA illustrative reports and schedules found in

SOP 98-3. The revised AICPA Audit Guide to include GASB 34 related revisions had not been released at the time the NJ Audit Program was printed. Auditors of districts implementing GASB 34 are advised to obtain that guide when it is available.

State Office of Management and Budget Circular Letter 98-07, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid, establishes state policy and procedures and outlines the responsibilities of state agencies and grant recipients to ensure that recipient single audits are performed according to Federal and State requirements. The Circular Letter is effective for fiscal years beginning after June 30, 1996 and supersedes Circular Letters 93-05-OMB and 97-08-OMB. It is available on the web site: <http://www.state.nj.us/infobank/circular/cir9807b.htm> It requires auditors to test and report on State grant and State aid compliance during the performance of recipient single audits. It also requires auditors to use the same risk based approach to audit and monitor State financial assistance as is used for federal programs pursuant to USOMB Circular A-133. Compliance requirements for the Department of Education are contained in the department issued State Aid/Grant Compliance Supplement and are available on the Internet at www.state.nj.us/treasury/omb/publications.

Notes Regarding the Schedules of Expenditures of Federal Awards and State Financial Assistance

All special projects including those funded by pass-through monies, other than those funded locally under the general fund, must be separately accounted for in the school district accounting records. The CAFR must include a separate *Schedule of Expenditures of Federal Awards* (Schedule A) and a separate *Schedule of Expenditures of State Financial Assistance* (Schedule B). The format of the schedules included in the sample CAFR was designed to provide the history of a grant from its initial award to the final disposition of the funds through either their expenditure or their refund to the grantor. Instructions regarding schedule preparation are included in this section of this document. Please note the titles of these schedules are as indicated in USOMB Circular A-133 and NJOMB Circular Letter 98-07.

Note Regarding Federal Awards:

In the event that the budgetary expenditure incurred by the district is less than the amount of federal aid cash received (special revenue only), the district shall apply for carryover where permissible by statute after completion of the project period. Those funds not available for carryover but with a grant expiration date beyond June 30th, are not due to the grantor until the grant expiration date has elapsed. In the event of one of these situations, excess cash received shall be reported as deferred revenue on Schedule A of the audit report, in the column entitled "Deferred Revenue." When the amount of cash received is less than budgetary expenditures, a receivable shall be shown as a negative amount on Schedule A, in the column entitled " (Accounts Receivable)." No negative cash balances are permissible in the balance sheet. There should be an interfund payable set up to reflect advances from the General Fund.

When no carryover application is made, when current grant funds are expired or when prior year entitlement funds are expired, the funds shall be refundable to the department and shall be reported on Schedule A, column entitled "Due to Grantor." All funds that have been refunded during the fiscal year shall be shown on Schedule A, column entitled "Repayment of Prior Year Balances."

It should be noted that pursuant to the Elementary and Secondary Education Act (ESEA) as amended by the Improving America's Schools Act, the U.S. Department of Education has provided guidelines for preparing the schedule of expenditures of federal financial awards when grantees transfer amounts between ESEA programs, consolidate administrative funds of ESEA programs or combine ESEA funds in a schoolwide program. The ESEA Compliance Supplement should be referenced for these guidelines. **Auditors are advised to obtain the most recent Federal Compliance Supplement, available on the Internet website:** <http://www.ed.gov/legislation/ESEA> .

Schoolwide Status: All non-Abbott schools with an approved Title I schoolwide program may combine certain federal funds. If the school does combine these resources, the expenditures are then accounted for

down to the function object level as a combined federal source. Those expenditures will need to be allocated back to the original federal funding sources at June 30, in a manner similar to that applied to the Blended Resource Fund 15 in an Abbott Whole School Reform School. This activity for the non-Abbotts will be recorded in Fund 20, not Fund 15. See the Abbott Addendum for guidance on how to perform the calculations and report the schoolwide programs in the CAFR. This also applies to all Abbott schools with an approved Title I schoolwide program in the 2001-02 school year.

Note Regarding State Financial Assistance:

In the event the budgetary expenditure incurred by a district is less than the amount of state aid cash received (Nonpublic), the district shall refund the unexpended state aid after the completion of the school year. Refunds of unexpended state aid for Chapters 192 and 193 shall be paid no later than December 1 (N.J.S.A. 18A:46-19.8 and 18A:46A-14). The Division of Finance will adjust the amount of aid based on the unexpended balances reported on Schedule B of the audit report, column entitled "Due to Grantor", if the refund is not received by December 1. Under CEIFA, restricted formula aids (DEPA, ECPA, Instructional Supplement Aid, and Distance Learning Network Aid) which are not fully expended or encumbered by year end must be carried over and reported as deferred revenue on Schedule B of the audit report in the column entitled "Deferred Revenue".

Preparing the Schedules of Expenditures of Federal Awards and State Financial Assistance

The Schedule of Expenditures of Federal Awards and Schedule of Expenditures of State Financial Assistance are prepared from the district records and must include all active (i.e. - not closed) financial assistance programs in which a district is participating regardless of the fund in which they are accounted. There are two separate schedules that must be prepared: the Schedule of Expenditures of Federal Awards and the Schedule of Expenditures of State Financial Assistance. The format of the schedules was designed to provide the history of a grant from its initial award to the final disposition of funds through either their expenditure or their refund to the grantor. Each schedule must reflect the current fiscal year's activity by program in the format as presented in Financial Accounting for New Jersey School Districts, A Sample Comprehensive Annual Financial Report, The CAFR. The information is presented on a budgetary basis and must agree with the amounts reported in the *General Purpose Financial Statements* and in the *Combining and Individual Fund and Account Group Statements and Schedules*. **GASB 34 Model** – The information presented on these schedules must agree with the amounts reported in the *Budgetary Comparison Schedules* and the *Combining Schedule of Program Revenues and Expenditures, Special Revenue Fund – Budgetary Basis*. Explanations of the information required to be included are presented below.

Auditor's Note – Auditors should review The Abbott Addendum for items that specifically relate to Abbott districts.

Grantor/Program Title: This column designates the original grantor department/agency (grantor) of the financial assistance and the name of the assistance program. Programs are classified by grantor and are further delineated within grantor as to direct or pass-through programs. The schedule must identify the program as direct or pass-through. When there are several active grants within the same program they will be presented separately within the schedule.

Federal CFDA Number: Applicable to Schedule of Expenditures of Federal Awards only. Represents the federal program number that is obtainable from the Catalog of Federal Domestic Assistance. When the CFDA number is not available, this fact should be noted and the program should be identified by an other identifying number, if available.

Grant or State Project Number (State Aid NJCFS Number): Used by the Department of Education for monitoring and reconciling federal awards. It appears under the Grant or State Project Number Column on:

- 1) The Schedule of Expenditures of Federal Awards (as an alpha-numeric number)
- 2) The Schedule of Expenditures of State Financial Assistance (as a numeric account number)

Grant Period: Represents the initial period for which the program was awarded.

Award Amount: Designates the amount of the initial program award.

Balance at June 30, 20X1: This column represents deferred revenue, intergovernmental accounts payable, or intergovernmental accounts receivable for those prior year programs which have balances as of the end of the prior fiscal year. A positive amount reflects deferred revenue or intergovernmental accounts payable and a negative amount represents an intergovernmental accounts receivable. These amounts must agree with the prior year's CAFR.

Carryover/(Walkover) Amount: Reflects the movement of award proceeds which have been approved for carryover into a carryover program code. Note that any walkover amount must be reflected as a negative amount on the line from which it was transferred, and a positive amount on the grant/aid program line to which it was transferred. Prior year state restricted formula aids would be reflected in this column.

Cash Received: Reflects the amount of cash received during the current fiscal year for the applicable financial assistance program.

Budgetary Expenditures: Represents the total costs chargeable to the program during the current fiscal year on a budgetary basis. These amounts must agree with the amounts reported in the *General-Purpose Financial Statements* and in the *Combining and Individual Fund and Account Group Statements and Schedules*. **GASB 34 Model** – These amounts must agree with the *Budgetary Comparison Schedules* and the *Budgetary Comparison Schedule, Note to RSI and the Special Revenue Combining Schedule of Program Revenues and Expenditures – Budgetary Basis*. For Demonstrably Effective Program Aid, this reflects the total actual DEPA expenditures per the District-Wide DEPA Statement. For Early Childhood Program Aid, this reflects the total actual spent for ECPA, excluding the amount transferred from the General Fund to fund ECP. Budgetary expenditures include contribution to charter schools.

Adjustments: In instances where a grant period overlaps fiscal years and the grant has not closed out as of the end of the current fiscal year, favorable differences incurred in the liquidation of encumbrances charged as budgetary basis expenditures in the prior fiscal year should be included in the schedules of expenditures of federal awards and expenditures of state financial assistance in a column entitled "Adjustments." This column would not be used for differences in the liquidation of encumbrances on grants which have closed out as of the end of the current fiscal year since these differences would affect current year expenditures. Reporting this information separate from current year expenditures will provide a clearer indication of the grant activity during a period of time. Any amount reported as an adjustment in the schedules of expenditures of federal awards and expenditures of state financial assistance must be fully explained in the *Notes to the Schedules of Expenditures of Awards and Financial Assistance*, including the reason for the adjustment and the period to which it pertains.

Repayment of Prior Years' Balances: Repayments made during the current fiscal year to a grantor for unexpended funds on a program whose grant period has expired and no carryover was granted or allowed. **Do not list Repayment of Prior Years' Balances unless refunds have been sent to the Grantor.**

(Intergovernmental Accounts Receivable) at June 30, 20X2: Amounts receivable from the grantor as of fiscal year end are reflected here. These amounts must agree with the amounts reported in the General-

Purpose Financial Statements (**GASB 34 Model – Basic Financial Statements**) and in the Combining and Individual Fund and Account Group Statements and Schedules.

Deferred Revenue at June 30, 20X2: Unexpended award proceeds as of fiscal year end which are expendable in the subsequent fiscal year are reflected here. These amounts must agree with the amounts reported in the *General-Purpose Financial Statements* and in the *Combining and Individual Fund and Account Group Statements and Schedules*. **GASB 34 Model** – These amounts must agree with the *Balance Sheet – Governmental Funds*. For *Demonstrably Effective Program Aid*, *Early Childhood Program Aid*, *Instructional Supplement Aid*, and *Distance Learning Network Aid* this amount must agree with the amount calculated on the Special Revenue Restricted Aid Statements as actual carryover.

Due to Grantor at June 30, 20X2: Unexpended award proceeds which are due back to the grantor as of fiscal year end are listed here. These amounts are reflected in the general ledger as Intergovernmental Accounts Payable and must agree with the amounts reported in the *General Purpose Financial Statements* and in the *Combining and Individual Fund and Account Group Statements and Schedules*. **GASB 34 Model** – These amounts must agree with the *Balance Sheet – Governmental Funds*. This column will be utilized by the Department of Education to identify and collect moneys due to the state for federal and state programs. If a district has amounts due back to the grantor at the end of the fiscal year, that amount must appear in the due to grantor column of the current fiscal year, and also in each subsequent year's CAFR as a balance at June 30 of the prior year until the amount is ultimately repaid. If a district has no unexpended award proceeds due back to the grantor, show the column heading and leave the column blank.

The Auditors Management Report and the Schedule of Findings and Questioned Costs must indicate whether the district has complied with federal and state regulations in a timely manner. Grant refunds are to be submitted with the Final Expenditure Reports. Discretionary grant refunds are required by the department upon approval of the final expenditure report. If grant periods extend beyond the audit deadline of June 30th, unexpended funds should be listed as Deferred Revenue and refunded with the Final Expenditure Reports. Do not list Repayment of Prior Years' Balances unless refunds have been sent to the Grantor. If the school district Schedule of Finding and Questioned Costs or Audit Findings indicate that refunds are due, the refunds are to be submitted promptly with an explanation regarding the findings.

Grant Closeout Procedures regarding refunds are identified under state and federal guidelines:

Circular Letter 89-19-OMB: XXIV

(C) "The Grantee will, together with the submission of the final report, refund to the Department any unexpended funds or unobligated (unencumbered) cash advanced, except such sums that have been otherwise authorized in writing by the Department to be retained."

Code of Federal Regulations: Title 34 Education [Part 80 – Sec. 80.50 Closeout]

(d)(2): "The grantee must immediately refund to the Federal agency any balance of unobligated (unencumbered) cash advanced that is not authorized to be retained for use on other grants."

Corrective Action Plans filed by the district with the grantor indicate non-compliance issues. Auditors should review the school district's Findings, the Schedule of Findings and Questioned Cost and the schedules listed above. When a Corrective Action Plan has been adopted by the district, the auditor must consider the impact of the potential non-compliance with the grant terms on the financial statements (CAFR).

Additional Information:

The schedules of expenditures of federal awards and expenditures of state financial assistance must be in the same format as those shown in the sample schedules in this chapter, including all columns, even if left

blank. Schedules must be subtotaled by grantor and reflect grand totals for the following columns: Budgetary Expenditures, (Intergovernmental Accounts Receivable), Deferred Revenue and Due to Grantor. The value of noncash assistance must be included on the applicable schedule or a note in the schedule. In addition, federal programs included in a cluster of programs must be listed individually.

The award amount, cash received, and budgetary expenditure figures for general fund state aids other than TPAF/Social Security reimbursements should be equal and agree with the amount shown as revenues for the applicable state aid in the financial statements. This also applies to on-behalf TPAF Pension amounts which must be included in the Schedule of Expenditures of State Financial Assistance.

TPAF/Social Security reimbursements must be reflected on the schedule of expenditures of state financial assistance. Any receivable outstanding from the prior year should be shown on a separate line. The current year award and expenditure amount represents the total of the amounts submitted for reimbursement during the current year. The uncollected balance (cash received minus amount billed) is shown as intergovernmental accounts receivable at year-end.

Food Distribution Program (formally USDA Commodities) should be presented in the schedule at the full cash equivalent value. The award and cash received amounts should be the value of the commodities distributed during the year. The budgetary expenditures amount is the amount of inventory consumed and the deferred revenue amount is the ending inventory amount.

The identification of major programs with an asterisk (*) in the schedule of expenditures of federal awards and state financial assistance is not required. This information is included in the Schedule of Findings and Questioned Costs prepared by the auditor.

**FEDERAL PROGRAM NUMBERS
FROM CATALOG OF FEDERAL
DOMESTIC ASSISTANCE
(List Not All Inclusive)**

CFDA #

10.550	Food Donation
10.553	School Breakfast Program
10.555	National School Lunch Program
10.556	Special Milk Program for Children
10.558	Child and Adult Care Food Program
10.559	Summer Food Service Program for Children
10.564	Nutrition Education and Training Program
17.249	School-to-Work Opportunities Act Transition Grant
17.250	Workforce Investment Act (formerly JPTA)
47.049	Statewide Systemic Initiative in Science, Mathematics and Engineering Education
47.076	National Science Foundation: Education and Human Resources
84.002A	Adult Education – Basic State Grant
84.004A	Desegregation Assistance, Civil Rights Training, and Advisory Services
84.010A	Title I Grants to Local Educational Agencies
84.011A	Migrant Education - Basic State Formula Grant Program
84.013A	Title I Program for Neglected and Delinquent Children
84.025A	Services for Children with Deaf-Blindness
84.027A	Special Education - States Grant
84.029H	Comprehensive System of Personnel Development (CSPD) Training Grant
84.040	Impact Aid – Facilities Maintenance
84.041	Impact Aid
84.048A	Vocational Education - Basic Grants to States

FEDERAL PROGRAM NUMBERS cont'd.**CFDA #**

84.158A	State Systems for Transition Services for Youths with Disabilities
84.162A	Emergency Immigrant Education
84.165	Magnet Schools Assistance
84.173A	Special Education- Preschool Grants
84.181	Special Education – Grants for Infants and Families with Disabilities
84.184E	Hate Crimes Prevention Program
84.184G	Safe & Drug –Free Schools and Communities Act National Programs
84.184M	Safe & Drug-Free Schools and Communities Act - Effective Alternative Strategies
84.185A	Byrd Honors Scholarships
84.186A	Safe and Drug-Free Schools and Communities - State Grants (SEA Portion)
84.186A	Safe and Drug-Free Schools and Communities – State Grants (Governor’s Portion)
84.194Q	Title VII Bilingual Education Support Services
84.195A	Teachers and Personnel Grant
84.196A	Education for Homeless Children and Youth
84.213C	Even Start – State Education Agencies
84.215	Fund for the Improvement of education
84.215U	Christa McAuliffe Fellowships
84.215V	Partnerships in Character Education
84.216A	Title I – Capital Expenses
84.243A	Vocational Education – Tech Prep Education
84.276	Goals 2000 – State and Local Education Systemic Improvements Grants
84.278B	School-to-Work Opportunities State Implementation Grant
84.281A	Title II – Eisenhower professional Development State Grants
84.281B	Title II – Eisenhower professional Development Higher Ed Grants
84.281C	Title II Standards, Assessment, and Accountability

FEDERAL PROGRAM NUMBERS cont'd.

CFDA #

84.282A	Charter Schools
84.288	Bilingual Education - Program Development and Implementation Grants
84.290	Bilingual Education - Comprehensive School Grants
84.291	Bilingual Education - Systemwide Improvement Grants
84.293C	Foreign Language Assistance Grants (FLAG) (SEAs)
84.298A	Title VI – Innovative Education Program Strategies
84.318X	Technology Literacy Challenge Fund
84.323	State Program Improvement Grants
84.326C	Deaf Blind Centers
84.326X	IDEA General Supervision Enhancement Grant
84.340A	Class Size Reduction (Title VI)
93.778	Medical Assistance Program

**STATE AID AND STATE GRANT
STATE ACCOUNT NUMBERS**

GENERAL FUND

02-495-034-5120 -022	Core Curriculum Standards Aid
02-100-034-5120 -339	Core Curriculum Standards Aid
02-495-034-5120 -023	Supplemental Core Curriculum Standards Aid
02-495-034-5120 -042	Abbott v. Burke Parity Remedy Aid
02-495-034-5120 -014	Transportation Aid
02-495-034-5120 -011	Special Education Aid
02-495-034-5120 -008	Bilingual Education Aid
02-495-034-5120 -030	Stabilization Aid
02-495-034-5120 -047	Stabilization Aid 3
02-495-034-5120 -031	County Special Services Tuition Stabilization Aid
02-495-034-5120 -033	Large Efficient District Aid
02-495-034-5120 -036	Aid for Districts with High Senior Citizen Populations
02-495-034-5120 -038	Stabilization Aid 2
02-495-034-5120 -044	Extraordinary Special Education Costs Aid
02-495-034-5120 -049	Additional Abbott Burke State Aid
02-495-034-5120 -013	County Vocational Program Aid
02-100-034-5120 -032	County Vocational Program Aid
02-495-034-5120 -039	Adult and Postsecondary Education Grants
02-495-034-5120 -028	Rewards and Recognition
02-495-034-5120 -054	School Bus Crossing Arms
02-100-034-5120 -078	Payment for Institutionalized Children- Unknown District of Residence
02-495-034-5120 -005	Payment for Institutionalized Children- Unknown District of Residence
02-100-034-5120 -050	Teacher Quality Mentoring
02-495-034-5120 -052	Teacher Quality Mentoring
02-495-034-5095 -001	Teacher's Pension and Annuity Fund
02-495-034-5095 -002	Social Security Tax
02-495-034-5120 -050	Regionalization Incentive Aid
02-495-034-5068 -001	School Choice/Charter School Aid

SPECIAL REVENUE FUND

02-495-034-5120 -025	Early Childhood Program Aid
02-495-034-5064 -002	Demonstrably Effective Program Aid
02-100-034-5120 -348	Distance Learning Network Aid
02-495-034-5120 -051	Distance Learning Network Aid
02-495-034-5120 -040	Distance Learning Network Aid –County Special Services School Districts
02-495-034-5120 -029	Instructional Supplement Aid
02-495-034-5120 -053	Character Education
02-100-034-5120 -064	N.J. Nonpublic Textbook Aid
02-100-034-5120 -066	N.J. Nonpublic Handicapped Aid
02-100-034-5120 -067	N.J. Nonpublic Auxiliary Services Aid
02-100-034-5120 -068	N.J. Nonpublic Auxiliary/Handicapped Transportation Aid
02-100-034-5120 -070	N.J. Nonpublic Nursing Services
02-100-034-5120 -373	N.J. Nonpublic Technology Initiative
02-100-034-5120 -074	Educational Information and Resource Center (EIRC)
02-100-034-5120 -072	Emergency Aid
02-100-034-5064 -010	Evening School for the Foreign Born

STATE ACCOUNT NUMBERS cont'd.

02-100-034-5064 -012	High School Equivalency
02-100-034-5064 -014	Adult Education
02-100-034-5062 -032	Vocational Education
02-495-034-5062 -002	Vocational Education
02-495-034-5064 -003	Whole School Reform – Incentive Grants

DEBT SERVICE FUND

02-495-034-5120 -017	Debt Service State Support
02-100-034-5120 -124	Additional State School Building Aid- Chapters 10, 74 and 177
02-495-034-5120 -016	Additional State School Building Aid- Chapters 10, 74 and 177

ENTERPRISE FUND

02-100-010-3360 -067	State School Lunch Program
02-100-010-3360 -066	Nonpublic Nutrition Aid
02-100-010-3360 -096	State School Breakfast Program

ANYTOWN SCHOOL DISTRICT
Schedule of Expenditures of Federal Awards
for the Fiscal Year ended June 30, 20X2

SCHEDULE A

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA	Grant or State Project	Program or Award	Grant Period		Balance at June 30, 20X1	Carryover/ (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments	Repayment of Prior Years' Balances	Accounts Receivable	Deferred Revenue June 30, 20X2	Due to Grantor
	Number	Number	Amount	From	To									
U.S. Department of Education														
General Fund:														
Impact Aid	84.041	N/A	\$3,000	7/1/01	6/30/02			\$3,000	(\$3,000)					
Medical Assistance Program	93.778	N/A	112,000	7/1/01	6/30/02			112,000	(112,000)					
Total General Fund								115,000	(115,000)					
U.S. Department of Education														
Passed-through State Department of Education														
Special Revenue Fund:														
II SA 12	Title I, Part A	84.010	IASA__02	150,000	9/1/01	8/31/02		150,000	(125,000)				(\$25,000)	
	Title I, Part A Summer	84.010	IASA__01	148,000	9/1/00	8/31/01	\$25,000	(\$14,000)	(11,000)					
	Title I, Part A Carryover	84.010	IASA__01	148,000	9/1/00	8/31/01		14,000	(12,000)					\$2,000
	I.D.E.A. Part B, Basic Regular	84.027	FT__02	75,000	9/1/01	8/31/02		75,000	(73,000)				(2,000)	
	I.D.E.A. Part B, Basic Summer Program	84.027	FT__01	70,000	9/1/00	8/31/01	15,000	(5,000)	(10,000)					
	I.D.E.A. Part B, Carryover	84.027	FT__01	70,000	9/1/00	8/31/01		5,000	(5,000)					
	I.D.E.A. Part B, Carryover	84.027	FT__00	65,000	9/1/99	8/31/00	458			(\$458)				
	Total Special Revenue Fund						40,458		225,000	(236,000)		(458)		(27,000)
U.S. Department of Agriculture														
Passed-through State Department of Education														
Enterprise Fund:														
Food Distribution Program	10.550	N/A	46,097	7/1/01	6/30/02			46,097	(46,097)					
School Breakfast Program	10.553	N/A	84,000	7/1/01	6/30/02			71,118	(84,000)			12,882		
School Breakfast Program	10.553	N/A	85,463	7/1/00	6/30/01	(18,652)		18,652						
National School Lunch Program	10.555	N/A	160,000	7/1/01	6/30/02			140,000	(160,000)			20,000		(40,000)
National School Lunch Program	10.555	N/A	148,000	7/1/00	6/30/01	(15,000)		15,000						
Special Milk Program	10.556	N/A	18,000	7/1/01	6/30/02			18,000	(18,000)					(40,000)
Total Enterprise Fund						(33,652)		308,867	(308,097)			32,882		
Total Federal Financial Awards						\$6,806	---	\$648,867	(\$659,097)	---	(\$458)	\$32,882	(\$27,000)	\$2,000

Date issued 5/02

ANYTOWN SCHOOL DISTRICT
Schedule of Expenditures of State Financial Assistance
for the Fiscal Year ended June 30, 20X2

SCHEDULE B

State Grantor/Program Title	Grant or State Project Number	Program or Award Amount	Grant Period		Balance at June 30, 20X1			Carryover/ (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments	Repayment of Prior Years' Balances	Balance at June 30, 20X2		
			From	To	(Accounts Receivable)	Deferred Revenue	Due to Grantor						(Accounts Receivable)	Deferred Revenue	Due to Grantor at
State Department of Education															
General Fund:															
Core Curriculum Standards Aid	02-495-034-5120-022	\$3,689,100	7/1/01	6/30/02					\$3,689,100	(\$3,689,100)					
Transportation Aid	02-495-034-5120-014	1,051,581	7/1/01	6/30/02					1,051,581	(1,051,581)					
Special Education Aid	02-495-034-5120-011	1,892,166	7/1/01	6/30/02					1,892,166	(1,892,166)					
Bilingual Education Aid	02-495-034-5120-008	201,792	7/1/01	6/30/02					201,792	(201,792)					
Abbott Parity Remedy Aid	02-495-034-5120-042	5,000,000	7/1/01	6/30/02					5,000,000	(5,000,000)					
On-Behalf TPAF Pension Contributions	02-495-034-5095-001	313,820	7/1/01	6/30/02					313,820	(313,820)					
Reimbursed TPAF Social Security Contributions	02-495-034-5095-002	1,135,479	7/1/01	6/30/02					1,114,352	(1,135,479)			(\$21,127)		
Reimbursed TPAF Social Security Contributions	01-495-034-5095-002	1,089,463	7/1/00	6/30/01	(\$18,627)				18,627						
Total General Fund					(18,627)	-	-	-	13,281,438	(13,283,938)	-	-	(21,127)	-	-
Special Revenue Fund:															
Demonstrably Effective Program Aid	02-495-034-5064-002	2,260,000	7/1/01	6/30/02				\$81,963	2,260,000	(2,235,262)				106,701	
Demonstrably Effective Program Aid	01-495-034-5064-002	3,100,000	7/1/00	6/30/01		81,963		(81,963)							
Early Childhood Program Aid	02-495-034-5120-025	1,537,835	7/1/01	6/30/02				57,556	1,537,835	(1,565,411)	105,000			134,980	
Early Childhood Program Aid	01-495-034-5120-025	4,500,000	7/1/00	6/30/01		57,556		(57,556)							
Distance Learning Network Aid	02-100-034-5120-348	378,925	7/1/01	6/30/02				20,000	378,925	(379,820)				19,105	
Distance Learning Network Aid	01-100-034-5120-348	398,925	7/1/00	6/30/01		20,000		(20,000)							
Instructional Supplement Aid	02-495-034-5120-029	550,000	7/1/01	6/30/02				25,000	550,000	(479,838)				95,162	
Instructional Supplement Aid	01-495-034-5120-029	557,348	7/1/00	6/30/01		25,000		(25,000)							
N.J. Nonpublic Aid:															
Textbook Aid	02-100-034-5120-064	21,500	7/1/01	6/30/02					21,500	(20,999)				501	
Auxiliary Services:															
English as a Second Language	02-100-034-5120-067	3,185	7/1/01	6/30/02					3,185	(3,100)				85	
English as a Second Language	01-100-034-5120-067	3,060	7/1/00	6/30/01			726					(726)			
Handicapped Services:															
Supplemental Instruction	02-100-034-5120-066	6,826	7/1/01	6/30/02					6,826	(6,826)					
Supplemental Instruction	01-100-034-5120-066	6,777	7/1/00	6/30/01			535					(535)			
Examination & Classification	02-100-034-5120-066	68,647	7/1/01	6/30/02					68,647	(68,647)					
Corrective Speech	02-100-034-5120-066	40,000	7/1/01	6/30/02					40,000	(39,500)				500	
Total Special Revenue Fund					-	184,519	1,261	-	4,866,918	(4,799,403)	105,000	(1,261)	-	357,034	-
Debt Service Fund:															
Debt Service Aid Type II	02-495-034-5120-017	147,848	7/1/01	6/30/02	-	-	-	-	147,848	(147,848)	-	-	-	-	-
State Department of Agriculture															
Enterprise Fund:															
National School Lunch Program (State Share)	02-100-010-3360-067	14,055	7/1/01	6/30/02					12,942	(14,055)			(1,113)		
National School Lunch Program (State Share)	01-100-010-3360-067	13,629	7/1/00	6/30/01		(3,826)			3,826						
Total Enterprise Fund					-	(3,826)	-	-	16,768	(14,055)	-	-	(1,113)	-	-
Total State Financial Assistance					(\$18,627)	\$180,693	\$1,261	-	\$18,312,972	(\$18,245,244)	\$105,000	(\$1,261)	(\$22,240)	\$357,034	-

Date Issued 5/02

SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 20__

Section I --Summary of Auditor's Results

Financial Statements

GASB 34 Note: This section has not been updated for GASB 34. Auditors should refer to the revised for GASB 34 AICPA Audits of State and Local Governmental Units when issued for specific terminology.

Type of auditor's report issued: _____

Internal control over financial reporting:

- 1) Material weakness(es) identified? _____ yes _____ no
- 2) Reportable condition(s) identified that are not considered to be material weaknesses? _____ yes _____ none reported

Noncompliance material to general-purpose financial statements noted? _____ yes _____ no

Federal Awards

Internal Control over major programs:

- 1) Material weakness(es) identified? _____ yes _____ no
- 2) Reportable condition(s) identified that are not considered to be material weaknesses? _____ yes _____ none reported

Type of auditor's report issued on compliance for major programs: _____

Any audit findings disclosed that are required to be reported in accordance with section .510(a) of Circular A-133? _____ yes _____ no

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
_____	_____
_____	_____
_____	_____
_____	_____

Dollar threshold used to distinguish between type A and type B programs: \$ _____

Auditee qualified as low-risk auditee? _____ yes _____ no

SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 20__
(continued)

Section I --Summary of Auditor's Results (cont'd.)

State Awards

Dollar threshold used to distinguish between type A and type B programs: \$ _____

Auditee qualified as low-risk auditee? _____ yes _____ no

Type of auditor's report issued on compliance for major programs: _____

Internal Control over major programs:

- 1) Material weakness(es) identified? _____ yes _____ no
- 2) Reportable condition(s) identified that are not
considered to be material weaknesses? _____ yes _____ none reported

Any audit findings disclosed that are required to be reported
in accordance with NJOMB Circular Letter 98-07? _____ yes _____ no

Identification of major programs:

<u>GMIS Number(s)</u>	<u>Name of State Program</u>
_____	_____
_____	_____
_____	_____
_____	_____

Note to Preparer: When a Federal or State single audit is not required -- do not include that Awards Section.

SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 20__
(continued)

Section II -- Financial Statement Findings

[This section identifies the reportable conditions, material weaknesses, and instances of noncompliance related to the general-purpose financial statements that are required to be reported in accordance with paragraphs 5.18 through 5.20 of *Government Auditing Standards*.]

(Note to Preparer -- Identify each finding with a reference number and present in the following level of detail, as applicable. If there were no findings, state that no matters were reported.)

Finding XX-X

Criteria or specific requirement:

Condition:

Questioned Costs:

Context:

Effect:

Cause:

Recommendation:

Management's response:

SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 20__
(continued)

Section III -- Federal Awards and State Financial Assistance Findings and Questioned Costs

[This section identifies audit findings required to be reported by section .510(a) of Circular A-133 and NJOMB Circular Letter 98-07.]

(Note to Preparer -- Identify each finding with a reference number. If there are no findings, state that no matters were reported. Findings that are required to be included in both Section II and Section III may be summarized in one section with a reference to the detailed reporting in the other section. When a Federal or State single audit is not required -- do not include that Awards Section.)

FEDERAL AWARDS

Finding XX-X

Information on the federal program(1):

Criteria or specific requirement:

Condition (2):

Questioned Costs (3):

Context (4):

Effect:

Cause:

Recommendation:

Management's response (5):

SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 20__
(continued)

Section III -- Federal Awards and State Financial Assistance Findings and Questioned Costs (cont'd.)

STATE AWARDS

Finding XX-X

Information on the state program (1):

Criteria or specific requirement:

Condition (2):

Questioned Costs (3):

Context (4):

Effect:

Cause:

Recommendation:

Management's response (5):

- (1) Provide the federal program (CFDA number and title) and state program (NJCFPS number) and agency, the federal/state awards number and year, and the name of the pass-through entity, if applicable.
- (2) Include facts that support the deficiency identified in the audit finding.
- (3) Identify questioned costs as required by section .510(a)(3) and .510(a)(4) of Circular A-133 and NJOMB Circular Letter 98-07.
- (4) Provide sufficient information for judging the prevalence and consequences of the finding, such as the relation to the universe of costs and/or number of items examined and quantification of audit findings in dollars.
- (5) To the extent practical, indicate when management does not agree with the finding and/or questioned cost.

Summary Schedule of Prior Audit Findings

Districts which are required to have a federal and/or state single audit conducted in accordance with USOMB Circular A-133 and/or NJOMB 98-07 are responsible for preparing the summary schedule of prior audit findings and the corrective action plan as part of the Reporting Package required to be submitted to the Federal Clearinghouse and/or State funding departments. Districts should refer to USOMB Circular A-133 section .315 for guidance on preparing these schedules. A sample of the summary schedule of prior audit findings is as follows:

_____ SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR-YEAR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 20__

[This section identifies the status of prior-year findings related to the general-purpose financial statements and federal and state awards that are required to be reported in accordance with Chapter 6.12 of *Government Auditing Standards*, USOMB Circular A-133 (section .315 (a)(b)) and NJOMB's Circular 98-07.]

(Note to Preparer -- Identify each prior-year finding with its prior-year reference number and present in the following level of detail. If there were no findings, state that no matters were reported.)

STATUS OF PRIOR YEAR FINDINGS

Finding #_____

Condition

Current Status